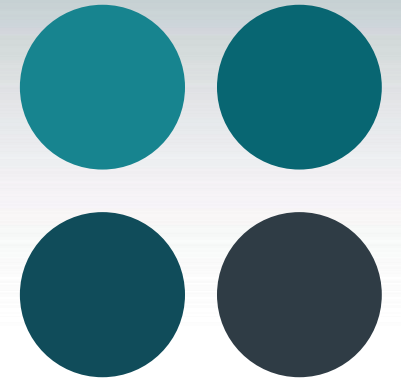
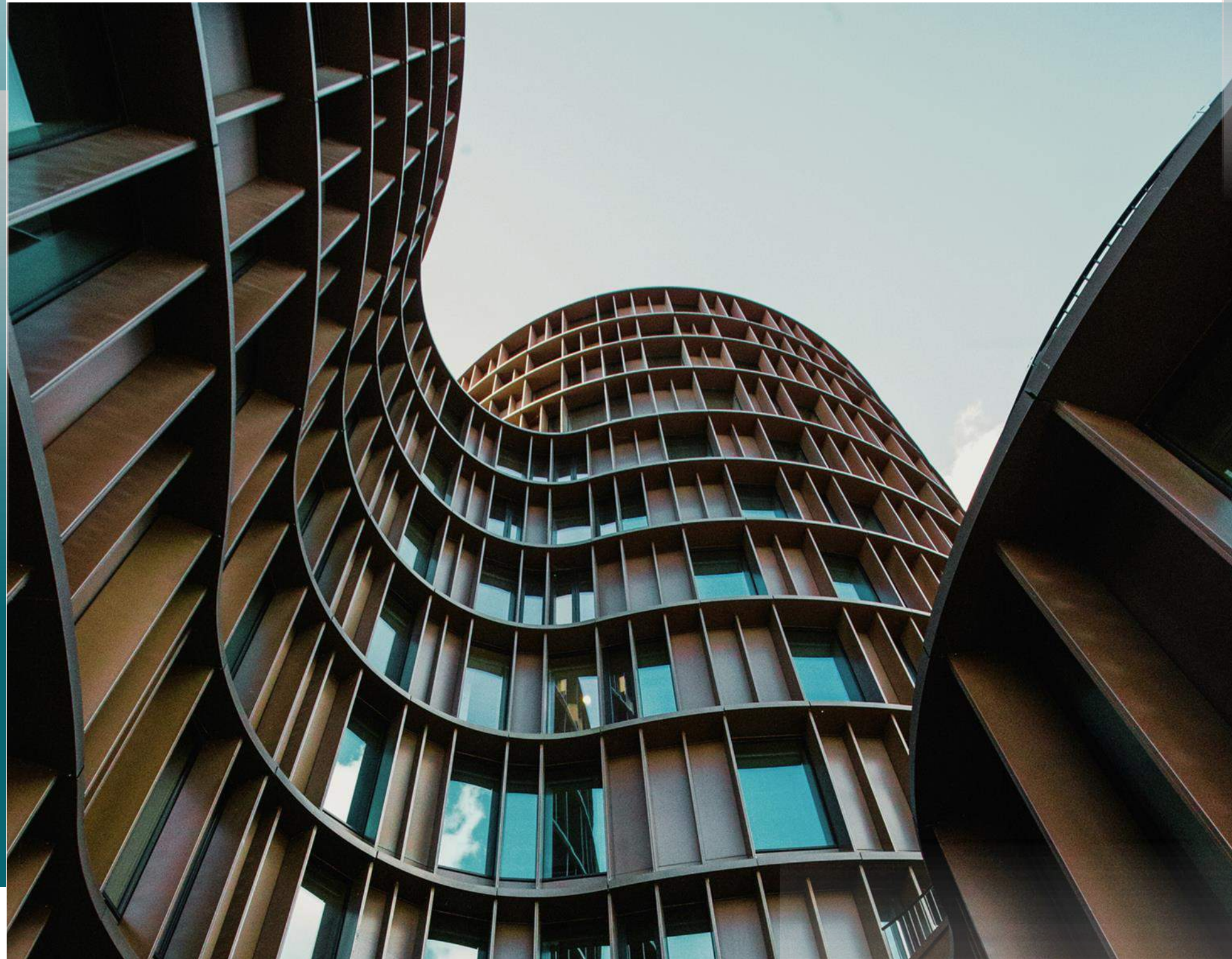


**CROWN BANK  
OF CANADA**



**Final Reveal : Analysis of CBC's Strategic Business**



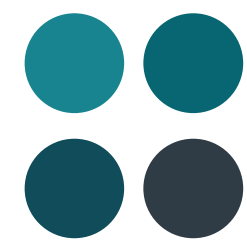
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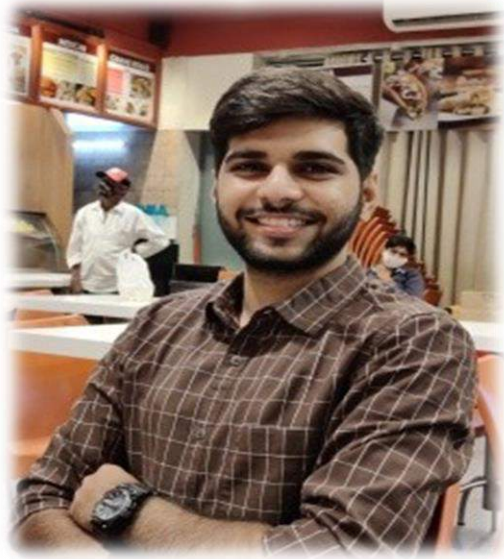
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# TEAM MEMBERS



**PROJECT MANAGER**



**ASSOCIATE PROJECT  
MANAGER**



**BUSINESS ANALYST**



**FINANCIAL ANALYST**

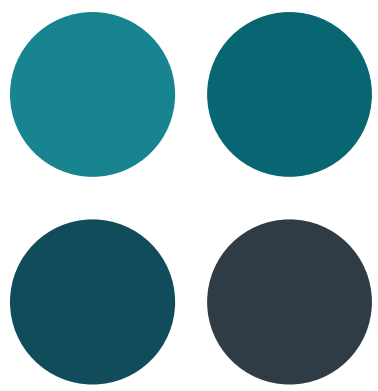


**DATA ANALYST**



**DOCUMENTATION EXPERT**





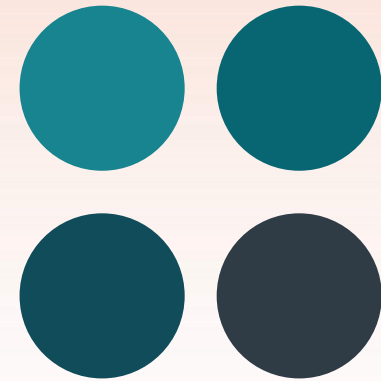
- **Based in Toronto CBC is nation's largest bank established in 1864.**
- **Serving more than 20 millions customers globally, CBC is the industry leader in Canada, specializing in business, wealth management, and personal banking**
- **We provide financial products such as savings accounts, checking accounts, credit cards, loans, mortgages, and investment products**



# **OUR COMPANY**



# PROJECT OVERVIEW



**Project scope:** An in-depth analysis of CBC's market in finance operational effectiveness, and financial performance.

## **Key objectives :**

- Identified the challenges faced by CBC.
- Developed solutions to address those challenges.  
Conducted detailed ROI to justify proposed solution.

**Methodology :** Our technique utilizes hybrid methods to integrate thorough research, data analysis, and strategic thinking.

**Project Deliverables**  
**Team Collaboration**







Our client-centric, omnichannel sales and acquisition strategy removes friction to support clients opening an account in their channel of choice



No matter where a client begins their journey at RBC, we have an interconnected ecosystem and safety nets in place to support their account open experience



## INCREASING DEFAULTS

Rise of delinquency rate  
Increase in Impaired Loan

## MARKET COMPETITION

Competitive Pricing  
Rise of FinTech Companies

## OPERATIONAL COST

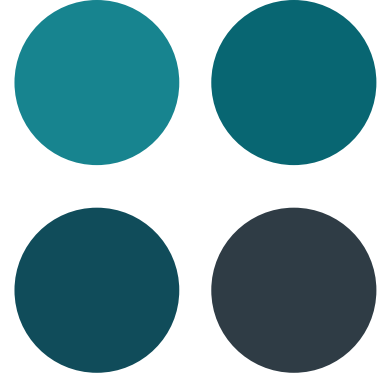
OPC increased 102% - difficulty curtailing cost  
Higher Cost to Income ratio (CIR)

# TURBULENCE IN CBC

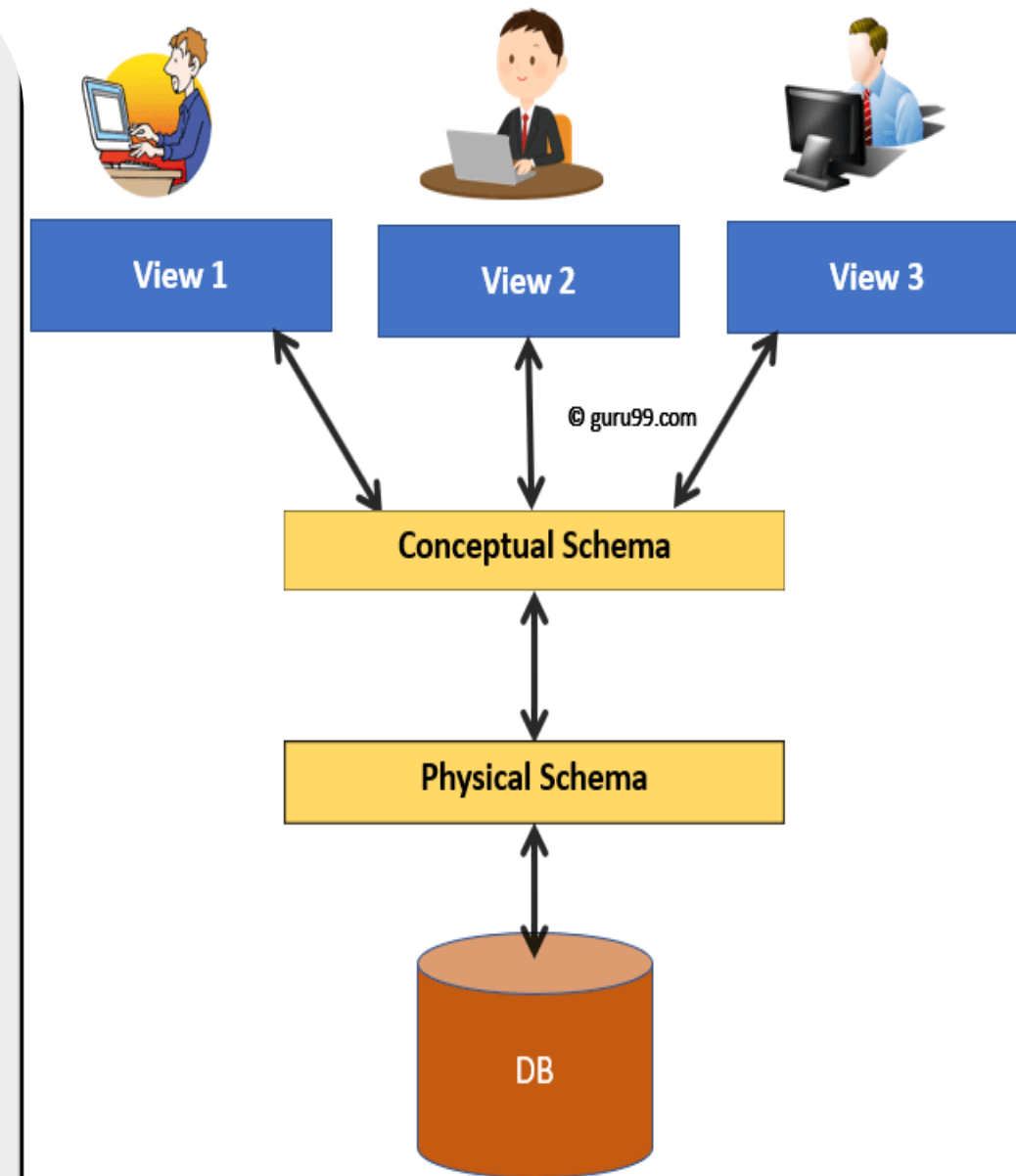
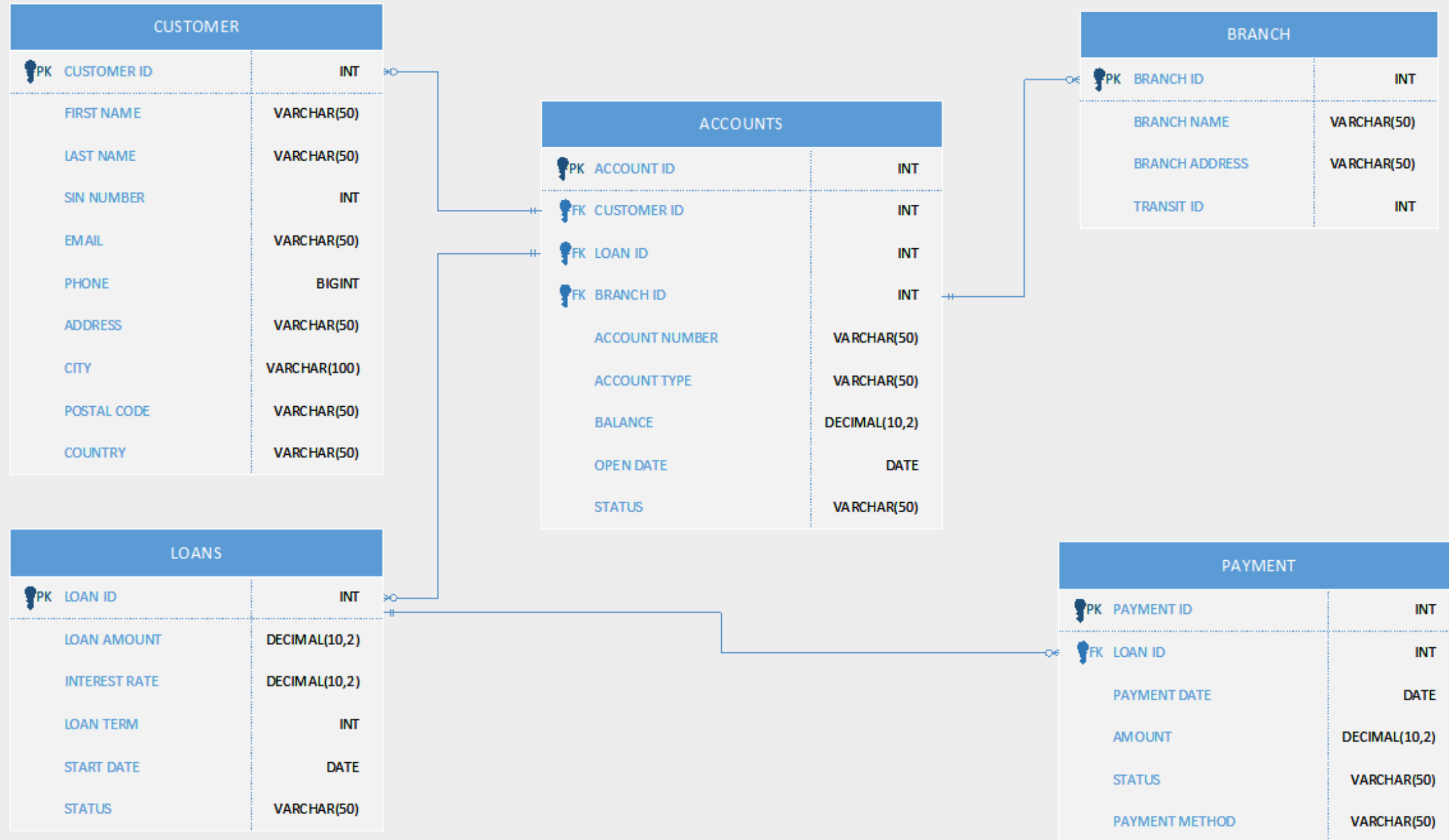


### Crown Bank of Canada – Current Process flow Chart

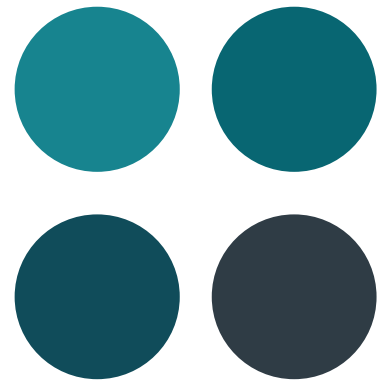
	Loan initiation Phase	Credit Approval Phase	Accounts Setup	Collection Phase
Department	Sales	Credit Department Finance Department	Operations Department	Collection Team
Bank	Document Collection Initiates Loan Application Process	Standard Profiling of customers (Credit check) Delay Is Approved Set standard borrowing cost ROI Calculation High risk and high interest loans	Loan Account Opening Loan Disbursement Repayment Setup	Followup Services Delay Is Payment retrieved? Update in Ledger End
Customer	Start Applies for Mortgage	Reviews the borrowing cost vis-à-vis Interest rate Is Customer Interested Signs Paper Process and Legality Provides feedback and withdraws application Records Loss due to market competition	Auto deposit Customer account (Repayment)	Payment attempt < 2 Is Payment successful Overdraft charges and other fees Records revenue loss from defaults Records Revenue loss from Operational expenditure



# DATABASE DESIGN







# Proposed Solution

## **Reducing Loss of Revenue due to Increasing defaults**

- Repaying of Loans can be made more flexible
- Government Supported Financial Teaching Initiatives Can be made

## **Reducing Operational Costs**

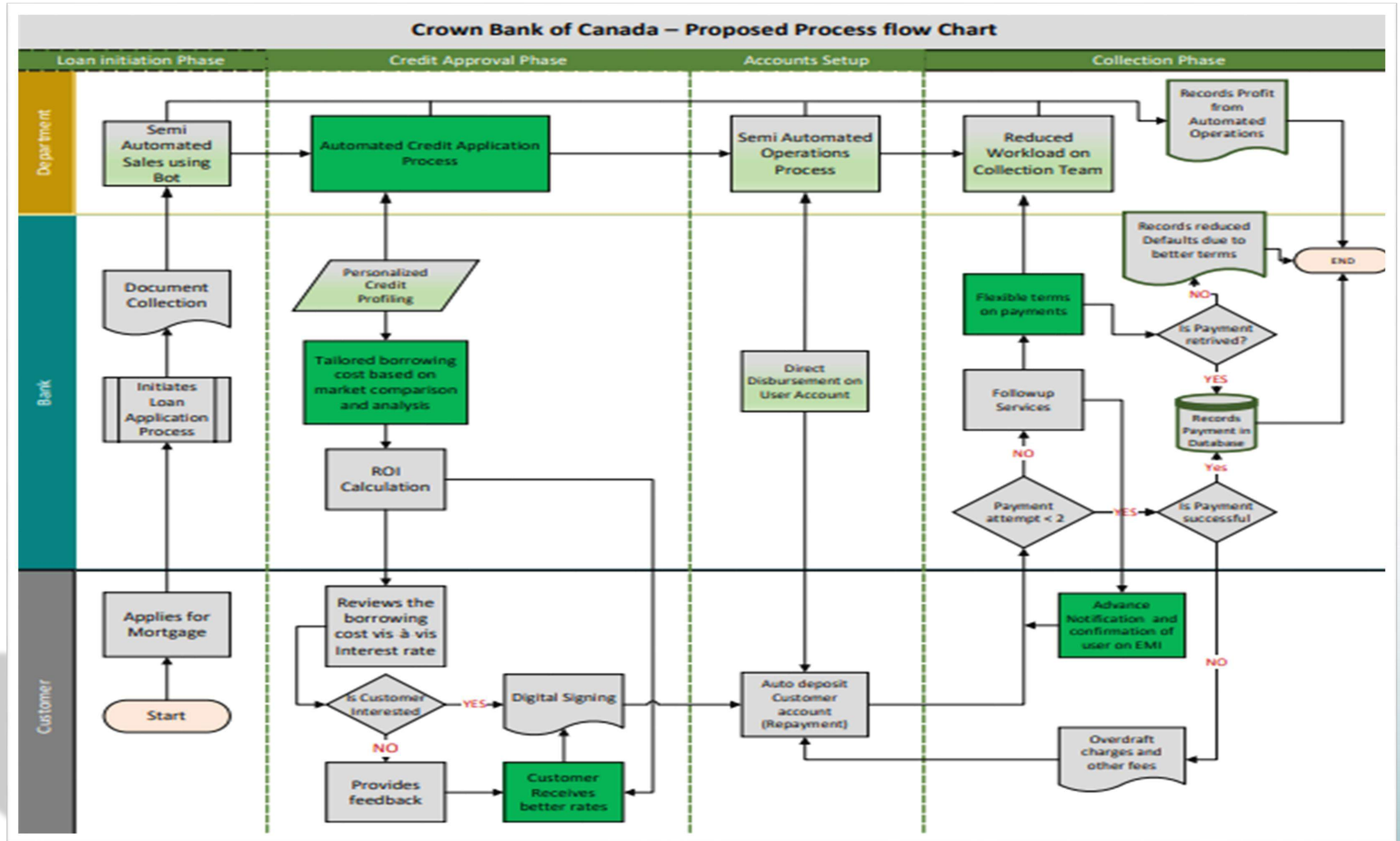
- More focus on Technology Enhancement
- Increasing Operational Efficiency

## **Making Strategies for handling Marketing Competition**

- Offering Varied products and offers to customer
- Improving Customer Service and Collaboration with other Fintech Companies



# TO – BE BUSINESS PROCESS





# HYBRID METHODOLOGY (IMPLEMENTATION STRATEGY)



Justification	Phased Migration	Backout Strategy	Risk Mitigation	Steps in Implementation
<ul style="list-style-type: none"><li>Aligning with technological advancements and customer preferences.</li><li>Open market licensing to accommodate evolving demands.</li></ul>	<ul style="list-style-type: none"><li>Dividing the rollout process into distinct phases for enhanced success.</li><li>Management oversight to ensure transparency and prompt decision-making.</li></ul>	<ul style="list-style-type: none"><li>Structured contingency measures in case of system failures or delays.</li><li>Detailed plans for reversion activities to ensure seamless transitions.</li></ul>	<ul style="list-style-type: none"><li>Algorithm refinement, job role design, and change management strategies.</li><li>Proactive measures to address potential challenges and ensure smooth implementation.</li></ul>	<ul style="list-style-type: none"><li>Assistance with release management, planning, build, deployment, early life support, and closure.</li><li>Comprehensive approach to facilitate phased deployment and minimize disruptions.</li></ul>





Overview



Testing Stages



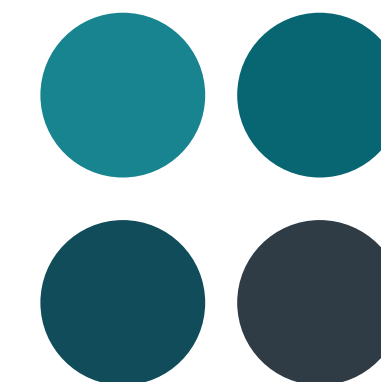
Defect Management



Signoffs and Exit Criteria



Documentation

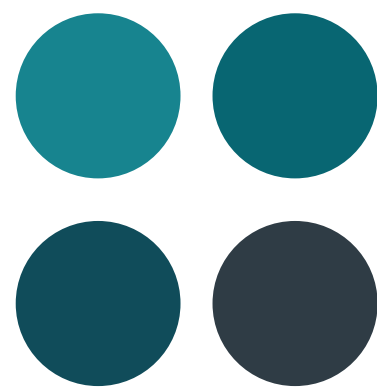


# TEST STRATEGY

**Crown Bank's Test Strategy focuses on ensuring the quality, functionality, and security of the Flexible Loan Repayment Options**



# Testing Stages



## UNIT TESTING

Verification of individual components or modules to ensure they function correctly according to specifications..

## INTEGRATION

Validation of interactions between different modules or systems to ensure seamless operation and data flow.

## SYSTEM TESTING

Evaluation of the entire system's functionality to verify compliance with business processes and user workflows.

## USER ACCEPTANCE

Testing conducted by end users or stakeholders to validate that the solution meets their requirements and expectations.

## PERFORMANCE

Assessment of system performance under various conditions to ensure it meets predefined standards for scalability, load handling, and stress resilience.

## SECURITY

Examination of the system's security measures to identify and address vulnerabilities, ensuring protection against threats and compliance with regulations.

## REGRESSION

Repeated testing of previously validated functionalities to ensure that new changes or updates do not adversely affect existing features.



# Risks and Mitigation Strategies



**Financial Strain:** There is a risk of financial strain due to the substantial initial investment required for implementing flexible loan repayment options.

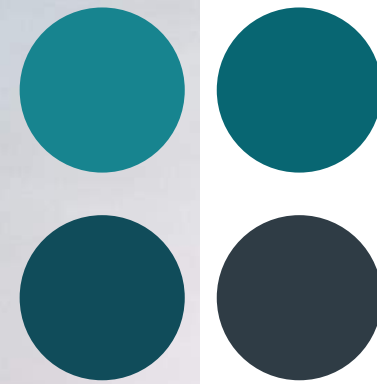
**Training Complexity:** Training programs for staff and customers on the new repayment options may face challenges in terms of complexity and effectiveness, leading to potential resistance or confusion.

**Competitive Response:** Competitors might react by offering similar or more attractive loan packages, potentially reducing CBC's competitive advantage.

**Risk of Misuse:** Providing multiple repayment options may increase the risk of misuse by borrowers, leading to potential losses for CBC.



# ROI



Component	Cost	Annual benefit
Initial Investment	\$35 million	-
Ongoing cost / Year	\$2.25 million	-
Total Benefit / Year	\$30 millions	79.29 %
ROI over 3 Years	-	137.86 %
ROI over 5 Years	-	295.71 %

Analysis	Key benefits
Initial Investment: The projected cost of \$35 million.	Increased Customer Satisfaction: Providing various repayment choices increases the happiness and loyalty of customers.
Ongoing Costs: Approximately \$2.25 million per year is allocated for maintenance, software updates, and monitoring.	Setting Crown Bank apart from competitors draws in new customers and strengthens its position in the market.
Yearly ROI: The ROI of 79.29% annually is more outstanding, indicating large profits on the investment.	Expanding the customer base and reducing failures are two factors that support steady revenue development.
ROI over 3 Years: The ROI rises to 137.86% after three years, suggesting continued profitability.	

Yearly ROI = (Total Benefits – Total Ongoing Costs ) / Total Initial Investmentx100  
Yearly ROI=(\$30 million – \$2.25 million) / \$35 million) × 100  
Yearly ROI≈79.29%



# CONCLUSION

The research offered a detailed analysis of constraints of CBC that comprised of loan defaults, expenses and market rivalry.

The ROI analysis revealed the cost savings and revenue gains of the solutions, including flexible loan repayment options, product variety, and technological innovations.

The action plans put stress on the ongoing development and stakeholders' involvement. These strategies have positioned CBC to be in a competitive and sustainable growth position in the banking sector.



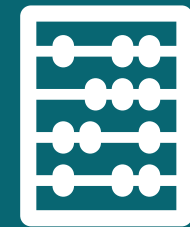
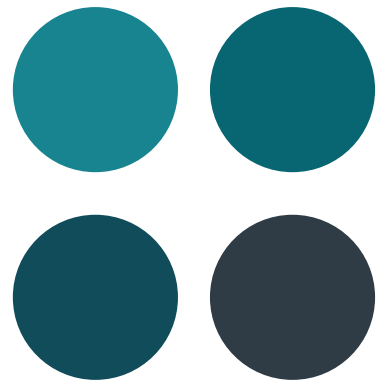
# NEXT STEPS

- TECHNOLOGY ENHANCEMENT
- FINANCIAL EDUCATION PROGRAMS
- FLEX-PAYMENT PLANS
- EXTERNAL PARTNERSHIPS
- FEEDBACK COLLECTION
- PERFORMANCE MONITORING
- ITERATIVE STRATEGY ENHANCEMENT





# LESSON LEARNED



Problem-solving and  
Decision-making



Leadership and  
Teamwork



Collaboration with  
Peers



Time management



Reports and  
Documentation



Risk Mitigation





# Thankyou

